

**INDIANA BUSINESS PREFERENCE (IBP)**  
**(IC 5-22-15-20.5)**

When a vendor claims the IBP they must indicate which provision qualifies them for this preference. The request should be evaluated in the following manner:

1. A business whose principal place of business is located in Indiana.
  - Check line # 6 on the IEI Form – must say Indiana. If line #6 says anything other than Indiana they cannot claim this preference under this provision. You may also check the Secretary of State Business registration site.
2. The majority of its payroll (in dollar volume) is paid to residents of Indiana.
  - Line # 14 & #15 must be complete. Divide line #14 by line #15 to calculate the percentage. This percentage must be greater than 50% to qualify for the preference under this provision.
3. Employs Indiana residents as a majority of its employees.
  - Line # 12 & #13 must be complete. Divide line #12 by line #13 to calculate the percentage. This percentage must be greater than 50% to qualify for the preference under this provision.
4. Significant capital investment in Indiana.
  - The information listed below must be submitted with the vendors quote/bid package.

**Substantial Capital Investment:**

Any company that can demonstrate a minimum capital investment of \$5 million or more in plant and/or equipment or annual lease payments of \$2.5 million or more shall qualify as an Indiana business under category #4. If an out of state company does not meet one of these criteria, it can submit documentation/justification to the State for review for inclusion under this category.

**DOCUMENTATION:**

- \$5 Million or more in plant and/or equipment - certified financial statement
- 2.5 Million in lease payment – copy of lease agreement/contracts

5. Substantial positive economic impact in Indiana.
  - The vendor must submit proof from the e-mail address listed below to verify their status. If the vendor does not submit this you should verify this yourself at the e-mail address listed below.

**Substantial Indiana Economic Impact:**

Any company that is in the top 500 companies (adjusted) for one of the following categories: number of employees (DWD), unemployment taxes (DWD), sales tax (DOR), payroll withholding taxes (DOR), or Corporate Income Taxes (DOR); it shall qualify as an Indiana business under category #5. If an out of state company does not meet one of these criteria, it can submit documentation/justification to the State for review for inclusion under this category.

To verify this information you should send an email to: [buyindianainvest@idoa.in.gov](mailto:buyindianainvest@idoa.in.gov)